## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

## FISCAL IMPACT STATEMENT

**LS 6592 DATE PREPARED:** Jan 14, 2002

BILL NUMBER: SB 187 BILL AMENDED:

**SUBJECT:** Hunting and Fishing License Service Fees.

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FUNDS AFFECTED: GENERAL IMPACT: Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill increases the service fee that is retained for selling a hunting, trapping, or fishing license.

Effective Date: July 1, 2002.

## **Explanation of State Expenditures:**

Explanation of State Revenues: (Revised) The bill does not increase license fees. It increases the amount that agents that sell the licenses can retain. The amount of the fee that the seller may retain is increased from \$0.75 to \$2.00, for an increase of \$1.25. This provision will decrease revenue by \$1.25 to the state for each license sold. For FY 2000, 1,151,488 licenses were sold locally. If all of these licenses were sold by selling agents and if the same number of licenses are sold after the implementation of the proposal, the state would lose \$1,439,360 (\$1.25 \* 1,151,488).

License fees are deposited in the Fish and Wildlife Fund which is used to finance the operations of the Division of Fish and Wildlife and the Division of Law Enforcement within the Department of Natural Resources.

As a point of information, the DNR has instituted fee increases, effective January 2002, for certain hunting, fishing, and trapping licenses. The estimated amount of annual revenue that the DNR will generate from the fee increases is estimated at \$6.4 M. The number of licenses sold could decrease if the increase in costs of the license results in fewer individuals purchasing a license.

## **Explanation of Local Expenditures:**

**Explanation of Local Revenues:** (Revised) The proposal increases the amount of the service fee that can

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be retained by clerks of a circuit court from \$0.25 to \$0.75, for a \$0.50 increase per license. For 2000, the DNR sold over 1,151,488 licenses locally. Assuming that the number of licenses sold does not decrease, the proposal could generate an additional \$575,744 (1,151,488 \*.50 increase).

**State Agencies Affected:** Department of Natural Resources.

**Local Agencies Affected:** Circuit Courts.

<u>Information Sources:</u> Division of Fish and Wildlife, Department of Natural Resources.

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